



DATE: February 16, 2016

TO: Thomas J. Bonfield, City Manager

THROUGH: Wanda S. Page, Deputy City Manager

FROM: Bertha T. Johnson, Director of Budget & Management Services
Jim Reingruber, Principal Budget Analyst

RE: Request to amend the FY2015-16 Budget, and other grant ordinance amendments and a resolution.

EXECUTIVE SUMMARY

In the course of the fiscal year, certain adjustments to the operating budget ordinance are necessary. This is the third such amendments for FY 2015-16. The primary purpose of this amendment is to account for the sale of the **North Parking Garage which was approved by City Council at the February 15, 2016 meeting**. In addition to this amendment, this item includes some other minor technical corrections, grant project ordinance amendments, and a grant resolution.

RECOMMENDATION

The Administration recommends the City Council adopt a budget ordinance amending the City of Durham Budget Ordinance as amended, Fiscal Year 2015-16, the same being Ordinance # 14808 for the primary purpose of recognizing the sale of the North Deck Parking Garage and subsequently paying off the associated debt service;

The Administration recommends the City Council adopt the 2014 High Intensity Drug Trafficking Areas (HIDTA) Grant Project Ordinance (GPO) amendment superseding GPO # 14645;

The Administration recommends the City Council adopt the 2015 High Intensity Drug Trafficking Areas (HIDTA) Grant Project Ordinance (GPO) amendment superseding GPO # 14726;

The Administration recommends the City Council adopt the 2014-16 City of Durham Employment Training Grant Project Ordinance (GPO) amendment superseding GPO # 14712; The Administration recommends the City Council adopt the FY 2014-15 FTA Section 5307 Grant Project Ordinance (GPO) amendment superseding GPO # 14769;

The Administration recommends the City Council adopt the FY 2016-17 State Technology Grant Project Ordinance (GPO);

Finally, The Administration recommends the City Council adopt the Resolution accepting federal funds through the Federal Congestion Mitigation Air Quality (CMAQ) fund through the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization to construct the West Ellerbee Creek Trail Phase II project between Westover Park and Stadium Drive.

BACKGROUND

Any time an ordinance requires amending, the amendments require City Council approval. Budget and Management Services typically brings two to four budget amendments forward each year. An amendment was done in December 2015 which included amendments to the operating budget, a grant project ordinance, and Capital Improvement Plan ordinances. Budget and Management Services attempts to combine amendments and small grants in a single agenda item for efficiency.

ISSUES/ANALYSIS

The following amendments are included:

The North Garage is being sold as approved by Council at the February 15, 2016 meeting. This amendment recognizes the \$8 million in revenue and the payoff of \$5.9 million of debt service. The remaining \$2.1 million will be transferred to fund balance.

The previous amendment in December addressed NC House Bill 255 by setting up an Inspections enterprise fund. This amendment makes a relatively minor correction, moving over a capital facility fee revenue source that should have been moved as part of the previous amendment. This has the effect of decreasing the General Fund by \$25,297 and increasing the Inspections Fund by the same amount.

A few grant project ordinance amendments are included with this agenda item. The Police Department is amending two High Intensity Drug Trafficking Area (HIDTA) grants to account for the actual awarded grant amounts.

The Office of Economic and Workforce Development (OEWD) is amending the Program Year 2014 Workforce Investment Act (WIA) GPO by removing \$2,554 in incumbent worker grant funds as a result of a company not using the funds.

The Transportation Department has two GPO's included. The first is amending the FY 2014-15 STPDA grant from the Federal Transit Administration and NCDOT. The amount from the state

is being decreased by \$173,808. The other grant is the current year's State Technology Grant so is being adopted and not superseding an existing GPO.

Finally, the General Services department is submitting a Resolution to accept federal funds through the Federal Congestion Mitigation Air Quality (CMAQ) fund through the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization to construct the West Ellerbee Creek Trail Phase II project between Westover Park and Stadium Drive. There is already a CIP project set up for this. This is a resolution and not a GPO because the funds are already appropriated in the CIP, so a resolution is the proper vehicle to recognize a grant in this instance.

ALTERNATIVES

If the City Council does not approve these amendments, the ordinances will be incorrect and the City would be out of compliance with NC General Statutes.

FINANCIAL IMPACT

The Parking Fund budget is increasing by \$8 million. Of that, \$5.9 million will be used to pay off existing debt on the North Garage, and the remaining amount will revert to fund balance to be used in future years.

The approval of this budget amendment has no material effect on the General Fund (decrease of \$25,297) and Inspections Fund (increase of \$25,297).

The Grant Project Ordinance amendments are relatively minor so will not materially affect current year activities.

The Grant Resolution simply recognizes the grant which is already appropriated in the CIP.

SDBE INFORMATION

Not applicable.

ATTACHMENTS:

Budget ordinance amending the City of Durham Budget Ordinance as amended, Fiscal Year 2015-16, the same being Ordinance # 14808;

2014 High Intensity Drug Trafficking Areas (HIDTA) Grant Project Ordinance (GPO) amendment superseding GPO # 14645;

2015 High Intensity Drug Trafficking Areas (HIDTA) Grant Project Ordinance (GPO) amendment superseding GPO # 14726;

2014-16 City of Durham Employment Training Grant Project Ordinance (GPO) amendment superseding GPO # 14712;

FY 2014-15 FTA Section 5307 Grant Project Ordinance (GPO) amendment superseding GPO # 14769;

FY 2016-17 State Technology Grant Project Ordinance (GPO);

Resolution accepting federal funds through the Federal Congestion Mitigation Air Quality (CMAQ) fund.